

**MINUTES
CITY OF ST. CHARLES, IL
GOVERNMENT OPERATIONS COMMITTEE
MONDAY, JUNE 19, 2017**

1. Call to Order

The meeting was convened by Chairman Bancroft at 7:10 pm.

2. Roll Call

Members Present: Chairman Bancroft, Ald. Stellato, Silkaitis, Payleitner, Lemke, Gaugel, Vitek, Bessner, Lewis

Absent: Vice-Chairman Turner

3. Omnibus Vote

- a. Budget Revisions – May, 2017

Motion by Ald. Stellato, second by Bessner to approve the omnibus item as presented.

Voice Vote: Ayes: Unanimous; Nays: None. Chrmn. Bancroft did not vote as Chair. **Motion Carried.**

4. Police Department

- a. **Recommendation to Approve a Class E2 Liquor License for the Random Acts Matter fundraiser “An Evening of Random Acts” to be held September 10, 2017.**

Chief Keegan: Item 4a is a recommendation to approve a class E2 liquor license for a Random Acts Matter fundraiser, an Evening of Random Acts, to be held September 10, 2017 at Mt. St. Mary’s Park. I’ll give a quick overview from my executive summary and Jim Di Ciaula is here to answer any questions. There is a map in your packet.

It will take place Sunday, September 10, 2017 from 4:30pm – 8:30pm. Jim and his group have worked extensively with the Park District and our Special Events Committee. This event was advanced forward from the Liquor Commission earlier this afternoon with a 4/0 recommendation. They will partner with Blue Goose and Abby’s. An E2 license – Abby’s will cover the dram shop insurance and the liability, BASSET coverage, and will be the arm of the liquor service for what Jim and his team want to do.

Jim Di Ciaula: Jim Di Ciaula, president and founder of Random Acts Matter. In February when we launched, we talked about this event which will be a cross between Ravina and Diner La Blanc. It will be in St. Mary’s Park near the pavilion. We will have Rob Monde, who has the Dram Shop; we’ll be doing everything through him. Blue Goose is where people can preorder

their picnic basket for the event or they can bring their own from home. I'd be happy to answer any questions.

Ald. Lewis: How much are the ticket prices?

Jim Di Ciaula: We're finalizing the budget, but we think \$50.

Ald. Lewis: Does that money go towards the food? Is it a fundraiser?

Jim Di Ciaula: It's a fundraiser for Random Acts Matter. What we do is actually use it to provide random acts of kindness and compassion to those in need in our community.

Ald. Lewis: Is there a rain date?

Jim Di Ciaula: There is not. We are working on getting a tent.

Ald. Lewis: Sometimes when people have these temporary licenses and they get rained out they come back looking for another date, but you don't see that happening. You're going to go forward?

Jim Di Ciaula: Yes. In order to do that there was an additional process at the Park District to get another date. They advised us not to go that route.

Ald. Lewis: I have 2 questions for you Jim. Is there a limit to how many E licenses the Park District can have in a year?

Chief Keegan: No. We have worked with the Park District in the past. They do allow consumption on Park District property, but not the sale of alcohol. Jim mentioned the Blue Goose advanced sales, but currently we do not have a limit on the amount of E licenses.

Ald. Lewis: Other places do have a limit.

Chief Keegan: Harley Davidson does, they are capped at 20 events, but now that I'm aware of that we've done that, at least in my tenure.

Ald. Lewis: My other concern is parking. Where are these people going to park?

Chief Keegan: I would hope the parking garages on the near west side, city streets, city lots.

Ald. Lewis: I would like to ask that you put up some temporary no parking signs in the neighborhoods so people aren't parking on those hills, if that's possible.

Motion by Stellato, second by Payleitner to Recommend approval of a Class E2 Liquor License for the Random Acts Matter fundraiser "An Evening of Random Acts" to be held September 10, 2017, including the amendment from Ald. Lewis that there no parking signs be placed in the

surrounding neighborhoods.

Roll Call: Ayes: Stellato, Silkaitis, Payleitner, Lemke, Gaugel, Vitek, Bessner, Lewis;
Nays: None. Chrmn. Bancroft did not vote as Chair.

Motion Carried.

**b. Recommendation to approve an Ordinance Amending Title 5, Entitled
“Business Licenses and Regulations” Chapter 5.08, “Alcoholic Beverages of
the St. Charles Municipal Code.**

Chair. Bancroft: The Chief is going to run through the whole package and we’re going to go item, by item for approval. They will be separate approvals.

Chief Keegan: We pride ourselves in St. Charles as being business friendly, we like to listen to our proprietors. Over the course of the last number of months; I’ve had the occasion to meet with several proprietors in town, both that currently operate businesses and those that want to seek businesses in St. Charles.

Some of the things I’m going to talk about this evening:

Hours of sale: we’re going to try to make it consistent all seven days of the week, packaged or consumption on site locations. Currently we have different hours of sale on Sunday, starting at 10:00am, whereas the other six days of the week start at seven. It creates some confusion for staff and the proprietors and we’d like to be consistent with our neighbors.

Gas Stations: I’ve had some folks come to see me over the last number of months not only that are operating in St. Charles, but one in particular that wants to expand into St. Charles. We’ve seen some communities around us allow gas stations to sell alcohol. I’ll talk in more detail about that.

Breweries: Rita Tungare and I have fielded ½ dozen or so inquiries in the last year. Primrose concept in Geneva, more of a carry out growler concept, and the Emmett’s concept in downtown West Dundee where you actually have a brewery with the restaurant.

Cross access: I’ll talk a little bit about that with site access, and some of the businesses in town that have 2 licenses under one roof, it creates some confusion as far as where folks can go with alcoholic beverages.

Specialty drinks: This is another topic I’ll discuss.

I’ll go through these item by item and I can answer any questions, and we can seek approval from a vote.

“A” licenses is a package liquor store where consumption is not allowed on premise, it’s only for carry out. I draw your attention to the different classifications. We are seeking approval under

the A4 license to expand. Currently it allows for a brewery concept on site. We've been approached by a business interested in wine operations on site, and actually alderman Silkaitis brought it up at the Liquor Control Commission meeting adding distilleries as well. Geneva has a distillery in their downtown. We at least have one brewery that's target to open in the next 6 months or so. Under A4, it's a recommendation to enhance our brewery concept.

Under A6, this would be a new license that would be presented from staff to the elected officials; it's the gas station concept. What we've recommended as a staff from looking at comparable communities is that we would allow alcohol sales in the convenient or mini mart concept of a gas station so long as the square footage of the entire floor space does not encroach upon more than 10%. If you have 1000 sq. ft. mini mart, liquor sales can't be more than 100 sq. ft. It's a little bit different from what our code looks like right now in relation to liquor stores and maybe larger convenience stores. Looking at the municipalities in our region we thought that was a good recommendation to move forward.

Ed Bessner: How would that effect, for instance, a 7-11 and their option to get a license or not.

Chief Keegan: If we modify the A2 license, which I did not bring forward this evening, currently you have to be 10,000 sq. ft. or more to sell alcohol within a convenient store or mini mart, Walgreens or CVS for instance. If we approve gas stations as proposed, the gas station at Randall and 64 would be allowed to sell, but the other 7-11's would not.

Ed Bessner: So this is tied to gas only.

Ald. Silkaitis: At the liquor commission meeting I suggested distilleries in case someone wants to have one they don't have to come back again for another license. The gas station I am opposed to. I don't think we have to go that far with the gas stations. It was approved in committee, but that's just my opinion.

Ald. Lewis: I agree with Alderman Silkaitis on the gas stations.

Motion by Stellato, second by Bessner to approve the creation of an A6 license allowing the retail sale of alcoholic liquors in original packages only, and not for consumption on the premises, in gas stations containing convenience stores where the retail sale of packaged alcoholic liquor is secondary to the sale of gasoline products and/or miscellaneous convenience store items and the square footage devoted to the retail sale of alcoholic liquor is ten percent (10%) or less of the gross square footage.

Ald. Lewis: I'd like to point out that I'm going to vote against this for a couple different reasons. I think it dilutes the properties we already have selling alcohol, and I find it rather interesting that later on in the evening we will be discussing grants from the Mental Health Board that goes to the Renz center which deals directly with alcoholism and addiction. It just doesn't seem to connect to expand these laws to an extent and turn around and give out over \$60,000 to an agency.

Roll Call: Ayes: Stellato, Lemke, Gaugel, Vitek, Bessner;
Nays: Silkaitis, Payleitner, Lewis; Chrmn. Bancroft did not vote as Chair. **Motion Carried.**

Motion by Stellato, second by Vitek to approve the amendment of license A4 to include the authorization the retail sale of beer, wine, or spirits for consumption on or off the premises, where brewed, distilled, or fermented on the premises, provided the retail sale of beer or wine for consumption off the premises shall be in original packages only.

Ald. Lewis: Just for clarity, this is like the place in Geneva or the Round House that has a food component to it?

Chief Keegan: To be a distillery, brewery, or to ferment wine on site you have to be approved by the state, and get separate license for manufacturing.

Roll Call: Ayes: Silkaitis, Payleitner, Lemke, Gaugel, Vitek, Bessner, Lewis, Stellato;
Nays: none; Chrmn. Bancroft did not vote as Chair.

Motion Carried.

Chief Keegan: B3 license is a restaurant license. This came about after Cooper's Hawk was approved. Part of the B3 license has a retail component. We've been approached by both Abby's and El Puente; both have opened up a niche in the market. Abby's has a signature cocktail, a Bloody Mary, they would like to bottle and have available for purchase on a carry out basis. The same thing goes for Margaritas at El Puente. From researching the state code; I'll draw a comparison to the Bob Chinn's Mia Tai's in Wheeling. Obviously they need to be packaged, stamped and sealed with the Health Department's approval. Both El Puente and Abby's have asked for the availability to sell their specialty beverages on a carry-out basis from a retail cashier area.

Ald. Payleitner: I think you answered the question, but just to clarify, the state still has to approve of the product being sold.

Chief Keegan: The Health Department has to approve how it's sealed and it has to have a liquor stamp.

Ald. Payleitner: Thank you.

Motion by Stellato, second by Gaugel to approve the amendment of license B3 to include the authorization the retail sale specialty drinks originating from the licensed premises in original packages only and not for consumption on the premises that are sold within the segregated retail/cashier area of the premises, and shall not exceed 50% of the total square footage of the premises.

Roll Call: Ayes: Silkaitis, Payleitner, Lemke, Gaugel, Vitek, Bessner, Stellato;
Nays: Lewis; Chrmn. Bancroft did not vote as Chair. **Motion Carried.**

Chief Keegan: We would like to recommend a new G1 license. We've had some businesses

approach us want to open breweries. I'll use the Emmet's analogy that I mentioned earlier. This is a restaurant with a brewery on site. The brewery operation is within the business, there would be a carry out similar to what I just presented with El Puente and Abby's. We would like to codify this particular practice into our code. We've seen this in surrounding communities.

Ald. Payleitner: Can you tell me what the difference is between this and what we approved in the breweries?

Chief Keegan: The A4 license you approved earlier is more of a carry-out, tasting, growlers, flights, no restaurant component. It's not meant for a sit down meal. The G license would be more of a restaurant environment.

Ald. Payleitner: Thank you.

Motion by Stellato, second by Silkaitis to approve a new G1 license authorizing the retail sale of beer manufactured on premises for consumption on the premises or for consumption not on the premises in original/sealed packaging only. The retail sales portion of the licensed premises shall be separate from the manufacturing portion of the premises. Food service, late night permitting, and other alcoholic beverage service, shall be permitted in accordance with other Class B or C Licenses.

Roll Call: Ayes: Silkaitis, Payleitner, Lemke, Gaugel, Vitek, Bessner, Lewis, Stellato; Nays: None; Chrmn. Bancroft did not vote as Chair. **Motion Carried.**

Chief Keegan: Hours of sale, 5.08.130, we are trying to level the playing field. Nick Smith is here from Alexander's. We have a host of brunch facilities now, not only in the downtown but in the greater outreaches of our community. Most of those folks have mentioned that sometimes on Sunday's people want to come in and order a drink and they can't do that until 10am. We've also talked to Blue Goose and some of our grocery and package liquor stores they said that when customers are looking to purchase alcohol for tailgating on Sunday's and it's before 10am they have to go to South Elgin or another municipality. We've done a survey with a host of suburbs; we've had some internal discussions as well as with the businesses.

We would ask that the hours of sale be consistent Monday – Sunday starting at 7am. To remind everyone, package liquor stores right now serve from 7am – 10pm, Monday – Saturday, and from 10am – 10pm, on Sunday. If you have a restaurant or tavern (B or C license), you can go from 7am – 12am, Monday – Saturday, and 10am – 12am on Sunday. We are asking that the start of sale be consistent at 7am for both package and sit down 7 days a week.

Ald. Payleitner: Looking at all the red-line on this; glad to be cleaning it up, thank you.

Ald. Lewis: I think we'll probably see you back here again, these hours won't be sufficient either. It won't be enough for the people going to the Bears game, or late enough for somebody. I'm opposed.

Chrmn. Bancroft: Chief, is there somebody in the audience you wanted to speak to this?

Chief Keegan: He had spoken at the Liquor Control Commission, now is the opportune time, if you wouldn't mind entertaining it.

Nick Smith: I want to make this clear this is not a money grab situation as far as trying to bolster business. It's actually more about the customers and the people coming to St. Charles to visit and dine in this City. I had printed this morning what Alexander's has paid to the City in alcohol tax since the first of the year, it's \$242.50. I don't like to speak for other people, but I'd imagine Abby's, Brunch, Corfu, Mothers and some of the other taverns that do brunch; the confusion is with customers who come in from other municipalities and want to have a Mimosa or Bloody Mary.

To your point Mrs. Lewis it seemed like a good starting off point that because every other day but Sunday was at 7am, and I know there are some establishments that are open earlier. I think this is a good level playing field to be on so people coming to our City to dine aren't stopped by a municipal code that can be amended here tonight. Based on these numbers I don't think there is anyone coming to any of these restaurants that are getting liquored up, or on an all-night bender. I will say it's nice, we do get a lot of nurses and doctors who are leaving the night shift who come to eat breakfast, which is their diner, and for them it is like a night cap. The first customer ever at Alexander's was a nurse from Delnor. I don't feel it's a money thing; it's an effort to bring people back to the City and keep people in the City to dine, have a good time, and spend money.

Ald. Payleitner: I agree. It's a hospitality issue.

Ald. Lewis: I guess you think by doing this on Sunday's it will create all that? What you just said.

Nick Smith: Currently in Geneva, South Elgin and surrounding areas where people do rotate where they go to eat. I'm saying that the perception that people have of coming to St. Charles, Sunday is the busiest day for these restaurants. For them to come to the City, for a lot of people that is the only day they will be able to come out. I would answer your question with humility, and without being able to give you specifics, I would say yes.

Ald. Lewis: From going 10am up to 7am would create this. Also, that will change the video gaming hours correct?

Chief Keegan: While a restaurant or tavern is open for business so is the video gaming. Motion by Stellato, second by Silkaitis to amend 5.08.130 of the St. Charles Municipal Code to allow the sale of alcohol Monday – Sunday, 7am – 10am for all classes of licenses.

Roll Call: Ayes: Silkaitis, Payleitner, Lemke, Gaugel, Vitek, Bessner, Stellato;
Nays: Lewis; Chrmn. Bancroft did not vote as Chair. **Motion Carried.**

Chief Keegan: 5.08.220, multiple locations. We have a D license in St. Charles which is a site license. Pheasant Run, Q Center, Hotel Baker, they are licensed for the entire site. If there is a restaurant or bar the entire site gets the license. We have a few in town where there are two licenses under one roof, owned and operated by the same company. For instance the Club Arcada and the theater, Ron has the Club Arcada on the 3rd floor and its licenses separately as a restaurant and the theater is a theater license. On the south side, Rt. 38, the Pride liquor store and Urban Counter is owned by the gas station. What both the Arcada and Pride have requested is cross access. They would like to be able to co-mingle between each location so long as the patron does not leave the establishment or go outside. In the Pride, there is a common hallway in back where bathrooms are shared, same thing at the Arcada. Sometimes the patrons going there for a live music experience on floors 1 or 2 want to use the washrooms on the 3rd floor. Right now if they have a drink they are not allowed access. What I'm asking for, to kind of clean up the code and make it easier for some of those businesses, is that we allow access as long as that access does not include leaving the establishment with liquor.

Ald. Payleitner: What prevents Arcada from obtaining a site license?

Chief Keegan: They could, but they opted not to. The theater its self didn't encompass the club on the 3rd floor. Ron and his ownership group opted to pursue a second license. It's the same with the Pride, they hold an A and a B license; there is an empty storefront at the Pride complex and they are looking to occupy that with an Italian market or restaurant and wanted to pursue some avenues to help with access.

Ald. Payleitner: Thank you.

Ald. Gaugel: It doesn't have to be one owner; you could have two separate owners, and it could be taken between the two businesses.

Chief Keegan: As long as it's under the same roof and they don't leave the enclosed structure. At Urban Counter there is a patio area that's part of their site license that would be permitted. You can't walk out the front door or along the sidewalk.

Ald. Lewis: I see what you're trying to get at, and I'm trying to figure out how it's going to work at the Arcada. I've been there, both at concerts and up at Club Arcada. They have all these fancy crystal glasses, pretty high priced cocktails. Downstairs it's all plastic glasses and inexpensive wines, does pricing have to be the same?

Chief Keegan: I think administratively as far as glassware going down from the 3rd floor, it would be something that they would prohibit from an administrative standpoint. I think it's more for the concert attendees who have a plastic cup and want to go on to the club. Right now they are stopped and no alcohol is allowed to go from the second floor to the third. Motion by Stellato, second by Silkaitis to amend 5.08.220 of the St. Charles municipal code that alcohol sold from one licensed location for the purpose of consumption on the premises may be carried to and consumed within a second licensed location under the same roof so long as such

movement can be made wholly within the enclosed structure of the premises or within a permitted outside consumption area.

Roll Call: Ayes: Silkaitis, Lemke, Gaugel, Vitek, Bessner, and Stellato;
Nays: Payleitner, Lewis; Chrmn. Bancroft did not vote as Chair. **Motion Carried.**

5. Human Resources Department

a. Presentation of Sikich Report on Non-union Compensation.

Jenn McMahon: If you recall in the fall of 2016 the City contracted with Sikich to do a compensation analysis study. They finished their first phase which was gathering feedback from stakeholders, including all of you, and presented a preliminary report of that to the City Council.

Phase II involved the City Council appointing a workgroup made up of elected officials as well as key staff members. That workgroup met earlier this year to develop a recommendation on comparable community criteria. That workgroup worked with Sikich and came up with a 14 point criteria. The criteria is reflective of identified communities most like St. Charles within a 25 mile radius. That criteria is reflective of the service level demands received similar to St. Charles as well as the resources they have access to. Sikich applied this criteria to the communities within a 25 mile radius and came up with a list of new comparable communities. At this time you see in your backup a new report from Sikich on this work, and a recommendation from the workgroup that sent this report, as well as include comparing the new comparable community criteria, as well as direct staff to review the compensation philosophy and comparable community criteria once every three years and maintain the compensation philosophy at the 75th percentile, subject to review of the final Sikich report. That final phase is about data collection from these comparable communities and how they operate their compensation plan, what their philosophy is, what their pay plans are. That piece would be presented by Sikich in their final report and findings.

Moved by Stellato, second by Bessner to accept the Sikich report approving new comparable community criteria and direct staff to review the compensation philosophy and comparable community criteria once every three years; and maintain the compensation philosophy at the 75th percentile, subject to a review of the final Sikich report.

Roll Call: Ayes: Silkaitis, Payleitner, Lemke, Gaugel, Vitek, Bessner, Lewis, Stellato;
Nays: None; Chrmn. Bancroft did not vote as Chair. **Motion Carried.**

6. Finance Department

a. Recommendation of Approval of the Funding Allocation Requests of the 708 Mental Health Board for FY 2017-2018.

Chris Minick: Back in the spring of 1986 a referendum was proposed and approved by the voters of the City of St. Charles to institute and approve a \$.04 cent per \$100 of equalized assessed valuation property tax to support agencies that provide mental health services to the residents of the City of St. Charles. This tax and this particular levy for this purpose has been in

place since 1986. Each and every year, the 708 Mental Health Board which was established subsequent to the passage of that referendum, comes and makes a recommendation to the City Council. This evening they are requesting a recommendation of approval for the funding allocation for the fiscal Year 2017/2018 in the amount of \$546,210.00. Barb Gacic who is the chair of the 708 Mental Health Board is here to make the presentation. I will be happy to answer any initial questions, otherwise I'll turn it over to Chair. Gacic.

Barb Gacic: Barb Gacic, 927 S. 12th Ave, St. Charles and am the 708 Mental Health Board Chair for the city of St. Charles. The 708 Agency presentation has changed this year in that instead of each agency giving their individual presentation to you I am here to present to the city council the 5 agencies the 708 board is recommending for funding of more than \$25k for the upcoming fiscal year. These agencies are *TriCity Family Services*, represented tonight by Laura Poss, Executive Director; *Association for Individual Development (AID)*, represented tonight by Lynn O'Shea, President and CEO; *Ecker Center for Mental Health* Karen Beyer, Executive Director; *Renz Addiction Counseling Center Deb Howe*, Marketing and Development Director; and *Lazarus House*, Sandy Falk, Administrative Manager.

At the end of my presentation if any of the council have any questions for these agencies please ask.

As Chris said we are in our 31st year of providing recommendations to the city council for funding of Behavioral Health agencies. We follow the State of Illinois's statute *Mental Health and Developmental Disabilities Communities Mental Health Act (405 ILCS 20/)*. This act spells out that we are to fund Mental Health for Mental Disorders; Developmental Disabilities, including Mental, Retardation, Cerebral Palsy, Epilepsy and Autism; Substance Abuse and Drug Abuse.

Our funding is derived thru a \$.04/\$100 EAV (Equalized Assessed Valuation) of City of St. Charles residents. This comes out to .0004 of a \$100,000 home or \$40. Because this is a "city tax" on its residents funding is restricted to services offered to City of St. Charles residents by the funded agencies. Thru the agencies' applications to the board each February each agency must provide to the board the total number of people they serve and then break-out the number of those people that are city of St. Charles residents (this does not mean just 60174 zip codes but rather by city limit addresses). Agencies also provide the board with their total dollars per hour or program and subsequent St. Charles resident breakdown.

Four of the agencies present this evening were part of the original group of 7 agencies funded by the city 31 years ago. Lazarus House is the late comer to the table as they've only been in existence for the past 20 years. By the way, 2 of the other 3 original agencies, Easter Seals and Fox Valley Hospice, now Fox Valley Hands of Hope still receive funding but less than the \$25k represented agencies here this evening. The final original funded agency, Valley Sheltered Workshop, has not applied for funding in a number of years. All agencies receiving more than \$25k are required to submit monthly financial statements to the city where they are kept on file should anyone have any questions. Financial statements as well as 501(c)3 or non-profit status documents are also part of all agency annual application requirements.

This past year the 18 agencies being recommended for funding by the 708 MHB to the city council assisted 3,437 city residents. With our population currently posted on the city's website at 33,267 that means that 10.33% of the city's population was assisted by grant funding to the agencies that were directly funded last year by the city. These numbers do not even reflect the families that saw their lives improved by the assistance for the treated residents.

In 2016 the 5 agencies present tonight accounted for 1,622 residents being supported through treatment. This is 47.2% of the total city residents helped by 708 funding last year.

TriCity Family Services started in St. Charles, moved to Geneva when they had outgrown their facilities and now are back in St. Charles with a satellite facility at 2570 Foxfield Rd. This agency provides clients with psychiatric services, case management services, and crisis services to their clients 24/7. They see adults, couples, seniors, children/adolescents and families for counseling, family-based treatment for eating disorders, emotional wellness workshops and support groups, and employee assistance programs. In 2016 TCFS provided service to 881 St. Charles residents.

The Association for Individual Development (AID) is a human services agency that strives to meet the unique needs of those with Developmental and Intellectual Disabilities as well as Behavioral and Mental Health challenges. Vital, life-enriching services that promote the highest level of independence and community immersion include: audiology; autism programs; respite care; permanent supportive housing; in-home support; developmental and vocational training; job placement and on-the-job coaching services; crisis intervention; victims services; mental health treatment; behavioral intervention; health and wellness; community education; and advocacy. These services are offered in 8 day program/training centers in Elgin, Aurora, Batavia and Yorkville and 12 mental health outpatient clinics throughout the Fox Valley. AID supports over 300 individuals living in their own apartments, and more than 200 individuals in 3 dozen group homes scattered throughout the greater Fox Valley; 2 of these homes are located in St. Charles. Residents learn and hone the skills they need to maximize independent living. AID also administers the Ride in Kane paratransit program in partnership with RTA, Pace, Kane County, and local municipalities and social service agencies. In 2016, AID provided support to 298 St. Charles residents.

Ecker Center for Mental Health provides an array of outpatient mental health services. Crisis, psychiatry and counseling services are available to adults, children & adolescents. Other adult services range from early intervention to recovery and include crisis, psychiatric, case management, rehabilitation, intensive outpatient, residential and psychotherapy assistance. Their main office is in Elgin but they have a satellite facility in St. Charles in the Renz Addiction Center suite at Illinois and 7th Avenue. In 2016 Ecker Center served 229 St. Charles residents.

Renz Addiction Center's focus is on substance abuse and problem gambling treatment services. They also provide opioid overdoses prevention education, Medication Assisted Treatment (MAT) for those with opioid or alcohol use disorders, and have special programs for women – including free childcare. They maintain a satellite facility at 7th Avenue and Illinois. In 2016 they provided service to 75 city residents.

Lazarus House is our homeless shelter serving persons who are homeless or at risk of homelessness serving men, women and children connected to the school districts of St. Charles, Geneva, Batavia and western rural Kane County by providing safe shelter, food and support services. They are an Emergency Shelter serving mid Kane County that is open 365 days a year and have an emergency shelter staff that is available 24/7. Lazarus House also offers the only Transitional Living program in the TriCities and Western Kane county area as well as offering an outreach program that provides rent, mortgage and utility assistance to qualifying households when grant funds are available. Lazarus House assisted 139 St. Charles guests in 2016.

Each of these agencies provide unique services for their respective clientele but work collaboratively to assist the citizens of St. Charles for their greater Behavioral Health needs.

Each agency has asked that I thank the St. Charles City Council for their continued support in assisting the St. Charles citizens.

Motion by Ald. Stellato, second by Payleitner to approve a recommendation of approval for the funding allocation for the fiscal Year 2017/2018 in the amount of \$546,210.00.

Ald. Payleitner: I found it quite beneficial to sit in on one of the Mental Health Board's meetings and was very impressed. I was impressed with their thoroughness and thoughtfulness.

Roll Call: Ayes: Silkaitis, Payleitner, Lemke, Gaugel, Vitek, Bessner, Lewis, Stellato;
Nays: None; Chrmn. Bancroft did not vote as Chair. **Motion Carried.**

b. Recommendation of Approval of the Greater St. Charles Convention and Visitor's Bureau Funding Request of \$526,500 for Fiscal Year 2017/2018.

Chris Minick: Enclosed in your packet is a Recommendation of Approval of the Greater St. Charles Convention and Visitor's Bureau Funding Request of \$526,500 for Fiscal Year 2017/2018. Each year the City allocates a portion of the hotel/motel tax revenues to the Greater St. Charles CVB. As every group who receives more than \$25,000 from the City is required to do, the CVB comes forward and makes a presentation on the results of their activities from the funding provided the prior year as well as what they anticipate doing with the funding for the upcoming fiscal year. They will be making that presentation this evening.

In addition to the \$526,000 funding request, I was informed that they are asking approval to carry over an additional \$45,000 related to a brand strengthening study that they had commissioned and begun out of the current fiscal year's budget. Their fiscal year ends June 30, 2017. My understanding is that they just received the completed report late last week and may not be invoice prior to June 30th and might not be able to pay that invoice. They are asking for the ability to carry forward the cost of that study in to the next fiscal year in addition to the \$200,000 operating cash that we normally allow them every year.

Lula Cassidy: Executive Director of the Greater St. Charles Convention and Visitor's Bureau.

My address is 2 E Main St., St. Charles. I've come before the City Council this evening to ask for our annual funding from the hotel/motel tax revenue collection in the amount of \$526,500. We ask for this funding to move forward in promoting tourism for the 2017/2018 fiscal year. This is the same financial amount the Greater St. Charles Convention and Visitors Bureau requested in our 2016/2017 fiscal year.

We are also asking for authorization in regards to our service agreement between the City of St. Charles and the Greater St. Charles Convention and Visitors Bureau from the City Council to roll over \$45,000 from our prior fiscal year to pay for the Brant agreement.

Ald. Stellato: Are you working with the Downtown St. Charles Partnership on branding? It just came up last month and I didn't know where that stood?

Lula Cassidy: Yes. It's a brand strengthening. We have met with the City, with McDaniel's Marketing, we've also met with the downtown partnership. It's looking at the Park District, Downtown Partnership, the City, and how we take the entire destination and put it all together and market this out. We're waiting for all that to come back. We have a board meeting in July which will have all that information and be able to approve it. We'd be happy then to share that with you.

Lula Cassidy went through the Greater St. Charles Convention and Visitors Bureau presentation:

Slide one – Setting the tone for an extraordinary destination... Creating the path to experiential travel... Making a way to live the dream.

Slide two: Our Mission: Destination Marketing

We look to experiential travel in our future. This form of travel is when people focus on experiencing a city or area connecting to its history, its people, and the culture. When incoming visitors focus on a destination that can take part in the activities and educational experiences a destination has to offer. When they leave they are stronger as a family, as a group, or corporation. They have learned new experiences, trained to the best in the next cycling race, or possibly participate in a high tech team building experience.

Slide three: Securing Future Business

Leisure and individual travelers have been a strong focus for us in the past. We continue to focus on leisure. However, to drive the accommodations and visitors to our area additional focus and budget resources will be utilized to drive the other opportunities in the segments of meetings and conventions, sports, and destination weddings. By investing all of our opportunities our stakeholders and tourism partners will see greater growth in their businesses. The destination is our focus as a whole. We will see increases throughout the destination with groups and they will stay in our hotels.

Slide four: Big Moments for the GSCCVB

- GSCCVB wins Best Visitor Publication and is nominated in three of nine categories cited for excellence at the Governor’s Conference on Tourism.
- St. Charles grabs advertorial feature in Indianapolis Monthly Magazine.
- Chicago Now names Scarecrow Fest One of the Top 8 Things to do in Chicago!
- Daily Herald Business Ledger features the GSCCVB alongside Illinois Office of Tourism Director, Corey Jobe in a feature, “Collaborative Regional Partnership Makes the Area Stronger and More Profitable.” - May 2017.

Slide 5: Creating a Welcoming Service Area

Engage: New strategies for community engagement in the destination that will positively affect our key areas.

We will work with tourism stakeholders to enhance opportunities that we have with the bureau, and help them engage with the campaigns we have running.

Collaborate: Continued cooperative partnerships with the QUADRA.

This year I had the privilege of being the Fox Valley Cooperative Chair. With the help of the entire St. Charles CVB team we landed the entire Fox Valley Region. We brought together 4 CVB’s and one Chamber of Commerce in something called Ride 65. 65 Miles of cycling trails and we will expand this to all trails leading to St. Charles. We took \$7,000 that we invested in our Co-op and we turned it into a bike guide including Illinois advertisement, Facebook promotion, deal targeting, overnight accommodations, and culinary experiences of St. Charles right in the middle of it.

Promote: Expanded campaigns and initiatives for targeted key areas.

As part of our commitment to providing high quality service to our meetings and conventions; marketing will focus on advanced technology, high impact events and meetings that demand high performance. Our service area has plenty of facilities and space along with advanced meetings technology.

We are in our 4th year of sports and we’re proud to see the changes beginning to develop. As we continue to see our groups coming back year after year.

Weddings have often been held in the beauty and scenic area of St. Charles and our service area. In order to compete, our website will be updated with theme weddings very soon. All meant to utilize venues and to capitalize on the spaces we have for rent and the accommodations for guests.

Grow: New incentives and growth in fresh areas of overnight potential.

Slide 6: Working with Decision Makers

Some of our growth initiatives will be focusing on films to be made in St. Charles and the greater area, capitalizing on the 30% tax credit that's offered in Illinois when films are made here.

We will bring a new tour and travel program revitalizing our motor coach program. The focus will be on youth. Youth programs utilizing our surrounding areas and farms educating youth on all the tourism and agriculture we have to offer with our farm tours. Selling this tour travel itinerary to the Illinois State, surrounding states, visiting park districts, Boy Scouts, and high schools for class trips. We are working with the St. Charles Park District on this program.

Slide 7: Putting feet on our Destination's Street

As stewards of this destination, your GSCCVB is tracking a powerful upswing in attendance at meetings and conventions, which converts to more visitor exposure to our area!

Groups, Conferences & Conventions

➔ **2015-16 - 4,607 total attendance**

📅 **2016-17 - 9,803 total attendance**

🌐 **2017-18 - 18,930 projected attendance***

** Based on current business in our pipeline*

Slide 8: A New Language and Sign of the Times

Following the trends of the regions and state, and seeking to be the trailblazers and leaders in our region, the GSCCVB transitions reporting destination progress by analyzing:

- **PEAK NIGHTS:** The total number of overnight attendees in the destination at the PEAK NIGHT of an event.
- **TOTAL ROOM NIGHTS:** The total number of overnights for each attendee for the TOTAL span of the event.
- **ATTENDANCE:** The grand total of event attendees for the span of the event. Some attendees do not always require overnight accommodations.

Slide 9: Expanding our Events Channel

Website engagement: VisitStCharles.com and EnjoyIllinois.com

Slide 10: Expanding our Events Channel. Regional partnerships: Example Rich Harvest Farms.

Slide 11: Expanding our Distribution Channels. 2017-18 Visitors Guide.

Recently our new Visitors Guide was released. It will soon be distributed and be included in our new distribution center at the Chicago Steele Fox Valley Arena in Geneva, Illinois, to be seen by over \$1M visitors in the next year. Our guide is also virtual this year on the Greater St. Charles website.

Slide 12: Staying Top-of-Mind with Travelers

Staying vibrant in the media and connected to meeting planners and travel professionals keeps the GSCCVB top of mind as a travel destination with visitors.

Thank you for your time.

Ald. Payleitner: Thank you for your vision, enthusiasm and transparency over the last year. It's been very refreshing. I like you and your team. Sitting up here I'm number 1 charged with thoughtfully spending our taxpayer's money.

I saw your presentation and a 50+ page packet, a lot of looking to the future, my concern is that I was looking forward to seeing some results of the previous year's activities, and not just generally speaking, more like how did we do with our \$500,000 investment?

On page 14 of your packet there is a concern that says Hilton Garden Inn is closing in July.

Lula Cassidy: Their conference center is closing in July.

Ald. Payleitner: I see that the hotel tax had a 3.78 decrease over the last year. I'm wondering, in fairness, if there is a decrease why we don't see that in the distribution as well. We make other groups accountable if there is a decrease in what they bring in. Why isn't that true for this?

Also, I see on the budget and administrative expense of \$550,000, can you help me on that?

Lula Cassidy: The decrease in the hotel: We lost quite a few rooms with Pheasant Run this year when they decreased rooms, we lost over 200 rooms. The destination had quite an impact. The Country Inn and Suites when they went through their renovation we lost them and they just recently came back up as a Holiday Inn.

Ald. Payleitner: That was well explained in your packet.

Lula Cassidy: We were quite encouraged that losing those overnight rooms in a destination, but yet still having the second best year since the recession.

Ald. Payleitner: Back to the administrative expense, can you explain that to me? Page 6, your budget, in expenses, total administrative expense is \$557,000.

Lula Cassidy: I'm going to have DeAnn Join us. She handles all the day to day accounting.

Ald. Payleitner: If you could tie that in to how that helps our investment and bringing monies

into St. Charles.

DeAnn Wagner: As far as the administrative category that includes our payroll expenses, rent expense, benefits to employees and postage. It's not just office supplies it's a combination of a large section of items.

Ald. Payleitner: This is a big number and I was hoping to get some clarity. I think it's more than we're giving you. You requested \$526,000 and your administrative expenses are \$557,000.

DeAnn Wagner: With that it also includes bulk mail postage, telephone expense, in office postage, creative mailing services, offsite meetings and expenses, office supplies, office technology, we have a technology company we work with. We're also working with a marketing company, accounting and legal fees should we need them, and insurance. It is a number that includes a wide variety of things. It's comparable to what we have submitted in previous years as well.

Ald. Payleitner: I've asked in previous years as well and never got an answer. I apologize for putting you on the spot. Last year Lula was new, and I held back. I did mention I was going to come forward this year. It seems like a lot of money to me, and I don't see how the dollars being spent are coming back to the businesses in St. Charles.

My next question is regarding the economic impact, page 8 & 9. I highlighted this: Community decisions over tourism often involve debates between industry performance predicting tourism's economic impacts benefits and detractors emphasizing tourism costs. On the other side it says: Media coverage of these studies tends to over simplify and frequently misinterpret the results leaving decision makers (us) and the general public with sometimes distorted and incomplete understanding of tourism's true economic effects.

I see it as the job of the CVB to make it clear. If there is not a complete understanding I see it as your job to make that clear to us up here. What is the economic impact benefit directly? Not just the number of hotel rooms. I would like to see what the CVB's contribution is directly on our ½ million dollar investment.

Lula Cassidy: The total room night numbers are actually agreements that come from the CVB. These are actual numbers and contracts coming from our office.

Ald. Payleitner: All the hotel rooms mentioned were from your direct contacts?

Lula Cassidy: Yes, those are request for proposals that come in and we work with the destination to make sure those are secured in one of our venues/facilities. At times when those are 1500 – 2000 rooms, that takes more than one hotel and we facilitate that. We get the bids and give it to the person coordinating the meeting/convention. It's very important. We're the facilitator in making sure that contract goes. We aren't reporting what goes on at the Q Center, or the Pheasant Run contracts, that's been eliminated. In the 4th quarter as we put the customer relationship management system online, that began the metrics of that to break down each

market segment (wedding, destination, leisure) we didn't have a system that was supported for quite a while to actually put in those numbers. We have done that and understand it and the reporting will reflect as such. The good news is on our website when we say we have an event and it ties to actual room nights, it doesn't go to the hotel's website and lose the connection.

Ald. Payleitner: That's what I'm looking for. There has been awesome accounting here, every hotel room is accounted for, and every event. I see motorcycle convention last August with an attendance of 1200. By looking at this can I assume this is a convention you brought to the City and we benefit directly from it. Your sales team secured that convention?

Lula Cassidy: The Hog Rally, I think is what you're referring to, that come in by request for proposal, we coordinate it with the hotels, the destination. I mentioned engagement earlier in my presentation. Engagement also means getting more people involved so they can benefit from that. That's the thing we look forward to in the next year. It's not just the hotels or a few restaurants that benefit. We're putting that information out so everybody has even more opportunity to benefit.

Ald. Payleitner: I'm still not clear on it; I've asked this question before; in other words they would have come here anyway and you just facilitated them having the rooms.

Lula Cassidy: No. We go up against different cities all the time. There's a particular group we are working on right now. We're up against a city in Michigan. It's going back and forth, we have to continuously sell our city against that city. We bring that person here, do site visits, and sell our destination.

Ald. Payleitner: In all these cases you brought people in and had to sell them on our City?

Lula Cassidy: Some are site inspections, some are just request for proposals, and we have to go and get information from all our hotels, work with the rates, and the experiences in the destination to provide what that particular person is looking for, yes.

Ald. Payleitner: I'm still trying hard to see where \$500,000 comes back to us because of all this. That's what I'm looking for, from your direct efforts.

Ald. Gaugel: If an organization is looking to host an event they issue a request for proposal to the CVB here or other sites they are looking for. If we don't have that CVB they aren't even going to request information for their organization to come here. We have nobody to request that from other than going to somebody at the City or in economic development.

Ald. Payleitner: Go right to the hotel.

Ald. Gaugel: They could do that. They could go to the Q Center, or one of those. I think the CVB adds an extra layer on top of that. They can wrap it all together. They aren't representing one interest, like the Q Center would be. This way the CVB brings everything together and puts it on the table. If we don't have the opportunity to participate in those formal request for proposals; I would venture to guess probably at least 50% we don't even have a shot at getting if not more. Probably closer to 80% because they wouldn't have a single point of contact. All of

your points are very good. I don't disagree with the administrative piece, but I do definitely see the value of having a Convention and Visitors Bureau act as the facilitator in order to even generate the interest from any kind of outside organization to put St. Charles on the map or on the radar for them to consider coming here.

Ald. Payleitner: Okay.

Chair. Bancroft: It's two things; Presence and support. The CVB provides a presence for the community that's over and above Pheasant Run or the Q Center. The second thing they do is provide demonstrable support to those institutions, our hotel base, to bring people in, respond to RFP's, and be a resource for them. I think that's an important statement by the City back to that community that is part of our community. What we do know is that the effort, the presence and support is actually bringing in the results.

Ald. Payleitner: I want to see those results. That's what I'm asking.

Chair. Bancroft: Why don't we give a breakdown of those total administrative expenses before the next meeting? Rather than a large number, if it's a justifiable number from your standpoint, give us a schedule.

Ald. Lemke: That would be 4 or 5 large items and what each contributes and you might have a miscellaneous, but the large items, some breakdown. Let me add that working a convention in Bloomington/Normal/Peoria, we put out several RFP's to several organizations. Those that didn't respond they didn't get any business, unless one of our attendees decided to go on their own. Response to an RFP is significant.

Chair. Bancroft: The community that this is serving, our hotel/motel/restaurant community, are they supportive of the effort? I look at who's on the board, and the engagement you're getting back from them. That's a pretty good demonstration that the efforts are being effective.

Ald. Payleitner: To the tune of ½ million dollars? I understand what you are saying. I agree they serve a purpose, absolutely. I just need to know it's to the tune of ½ million dollars, and that it's giving us a return.

Ald. Stellato: I know the appropriations for you to come inside the City, is that reflective in any decrease, or is there still payment of rent to the former landlord? You don't need to do it now, but can you give us something to show how that's working out?

Lula Cassidy: I can provide that. Chairman to follow-up to your request. You're asking for more of an itemized list, is that correct?

Chair. Bancroft: Yes.

Ald. Lewis: I'd like to go back to something you said about competing against other cities to bring them to St. Charles. When you're doing this are you promoting just St. Charles or are there other hotels in other communities that are part of this package? Maybe they want to have a

sports tournament here but need hotels in other communities, do you put that together? You list yourself as the “Greater St. Charles”, when you’re doing this promoting how great is that?

Lula Cassidy: Our service area includes Campton Hills, and Elburn. They do not have hotels. When we’re talking about promoting larger areas for sports tournaments and things like that, we have worked with Aurora. Aurora is very dedicated to Sports, they have come to us and asked if we can assist when they don’t have enough hotel rooms to fulfill this event.

Ald. Lewis: So Aurora would approach us because they don’t have enough hotels.

Lula Cassidy: We have partnered with them to provide a backup to sell St. Charles hotels and filling our market. We are their backup, but we don’t push other hotels before our hotels are booked. Absolutely not.

Ald. Lewis: When you partner with these other areas there is no money that’s involved.

Lula Cassidy: We only receive our funding from the City of St. Charles and our grant received.

Ald. Lewis. Yeah. We know that.

Chair. Bancroft: Again, this is a well-received service and the hotel/motel/restaurant community looks at this as a positive thing. I understand the question. If you are going to do something demonstrable to that number; one way or another you’re sending a message to that community.

Ald. Payleitner: You said positive input. Did I miss that, is it in here, or are you saying in general.

Chair. Bancroft: The composition of the Board of Directors.

Ald. Payleitner: How often does your Board meet? Is it quarterly?

Lula Cassidy: Our official meetings are quarterly. Our president is here this evening.

Moved by Ald. Gaugel, second by Lemke to recommend approval of the Greater St. Charles Convention and Visitor’s Bureau’s funding request of \$526,500 for fiscal year 2017/2018.

Ald. Payleitner: And waiting for the additional information before our next meeting. Thank you.

Roll Call: Ayes: Silkaitis, , Lemke, Gaugel, Vitek, Bessner, Lewis, Stellato;
Nays: Payleitner; Chrmn. Bancroft did not vote as Chair. **Motion Carried.**

Chair. Bancroft: When I read the motion it did not include the question of the \$45,000 for the study that was commissioned.

Moved by Ald. Lemke, Second by Bessner recommend approval of the Greater St. Charles Convention and Visitor's Bureau's funding request of \$526,500, for fiscal year 2017/2018. In addition a carry-over amount of \$45,000 to cover the brand marketing study.

Roll Call: Ayes: Silkaitis, Lemke, Gaugel, Vitek, Bessner, Lewis, Stellato;

Nays: Payleitner; Chrmn. Bancroft did not vote as Chair.

Motion Carried.

7. Additional Items from Mayor, Council, Staff, or Citizens.

8. Adjournment

Motion by Ald. Stellato, second by Lemke to adjourn the meeting at 8:40 pm.

Voice Vote: Ayes: Unanimous; Nays: None. Chair Bancroft did not vote as Chair. **Motion Carried.**

:tc